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Minutes
Nexus Committee Meeting (Open Session)
November 16, 2020
Teleconference

List attendees:

Steven Alvarez	GA
Brad Asher	KY
Karey Barton	TX
Lee Baerlocher	MT
Chris Barber	MTC
Pamela Beebe	AZ
Karolyn Bishop	WA
Krystal Bolton	LA
Melissa Bottoms	
Keith Broussard	MT
Dorita Calderon	CBH
Charles Capouet	Eversheds Sutherland
Joan Cagle	TN
Colleen Chipman	NJ
Susanna Coburn	RI
Wendy Conlin	MN
Anita Conner	PA
Holly Coon	MTC
Richard Cram	MTC
Charles Dendy	ND
Lila Disque	MTC
Stephanie Do	COST
Latonia Dooley	KY
Wanda Dorsey-Jenkins	MTC
Christopher Dowsey	AZ
Angela Doyle	Jones Day
Michael Fatale	MA
Bruce Fort	MTC

Cindy Frenchers	KS
Petra Garcia	AZ
Mary Gierszewski	SC
Felicia Gillis	AZ
Stacey Greaud	LA
Frank Hales	UT
Brian Hamer	MTC
Amy Hamilton	Tax Analysts
Helen Hecht	MTC
Nathan Hoepfner	KS
Ferdinand Hogroian	PWC
Phil Horwitz	Moss Adams
Audrey Tyndall-Hoyle	NJ
Jennifer Hudson	DE
Rusty Johnson	TX
Harold Jones	TN
Bryan Kelly	WA
Samwel Khakame	CO
Maria Koklanaris	Law360
Olga Kourdova	Charter Communications
Jayne Kulberg	WI
Todd Lard	Eversheds Sutherland
Katie Lolley	OR
Rachael Lund	Vertex
Roxanee Maston	AZ
Greg Matson	MTC
Ashley McGhee	NC
Virginia Mick	MTC
Deanna Munds-Smith	AR
Denny Mwangi	GA
Priya Nair	COST
Marcia Oakman	KY
Anna Ocampo	AZ
Stacie Odom	NE
Scott Pattison	MTC
Matt Peyerl	ND
Nancy Prosser	MTC
Shawn Rao	MTC
Jordan Raye	KS

Will Rice	FAST
Daniel Rouse	ND
Joseph Royston	OR
Mark Schoenfeld	MT
Erik Shaner	ID
Thomas Shimkin	MTC
Larry Shinder	MTC
Jeff Silver	MTC
Diane Simon-Queen	MTC
Andrew Soubel	Wolters Kluwer
Tiffany Southworth	UT
Scott Spilinek	NE
Kim Stewart	MTC
Matt Tidwell	AL
Sherry Tiggett	MTC
John Vecchiarelli	FAST
Charla Wagner	KS
Dee Wald	ND
Eric Wayne	EY
Steve Yang	MTC

Jayne Kulberg, Vice-Chair (WI), brought the meeting to order at 2:00 pm EST, introductions of attendees were made, and public comment was invited.

Public Comment

No public comment was offered.

Minutes

Frank Hales (UT) moved for approval of the minutes of the July 28, 2020 open session meeting of the Nexus Committee, and the motion passed unanimously.

Nexus Director's Report and Update on Recent Nexus Law Developments since July 28, 2020

Richard Cram, Director of the National Nexus Program, reviewed for the Committee his written Update on Recent Nexus Law Developments since July 28, 2020 and the 1st Quarter, FY 2021 Nexus Program Director's Report. Back tax collections from agreements closed as of the end of the 1st Quarter, FY 2021 were \$5,179,483 with 88

executed agreements. These results are on track to meet the back tax collections for FY 2020.

Tracking Voluntary Disclosure Matter Status and Back Tax Collections

Richard Cram summarized his memorandum (attached), regarding tracking of voluntary disclosure matters and tax payments. With staff working remotely both at the MTC and state tax agencies, taxpayers are requested to send voluntary disclosure documents and back tax payments directly to the states, instead of to MTC staff. If taxpayers do not inform MTC staff when they have sent documents and back tax payments to the states, then MTC staff cannot accurately track the status of voluntary disclosure matters and back tax payments received to anticipating states. Richard requested, and Vice-Chair Jayne Kulberg (WI) agreed, that participating states should send him a quarterly report, indicating the MTC #'s of voluntary disclosure matters for which the state has received necessary signed documents, returns and back tax amounts, and dates received covering the time period July 1, 2020 forward. Matt Peyerl (ND) suggested that Richard circulate a format for the report to the states, and Richard agreed to do so.

Updating the Uniform Sales and Use Tax Resale Certificate – Multijurisdiction Form to reflect the *Wayfair* decision and the states' subsequent economic nexus laws

Richard Cram summarized his background memorandum (attached), which also included the draft revision of the MTC Uniform Sales & Use Tax Exemption/Resale Certificate – Multijurisdiction form. Richard explained that he has circulated the draft to states listed on the form to update the form to reflect *Wayfair* and sales tax economic nexus and update any specific state information. The form is used by a seller registered in one state to claim the resale or ingredient/component part exemption when purchasing inventory tax-free from a supplier located in another state. The seller would not be required to register in the other state if it did not have nexus. A seller registered in multiple states can use this form to claim the exemption on a multistate basis. Several states allow sellers to use this uniform certificate, albeit often with additional requirements.

Richard is requesting responses and revisions from the participating states by November 30th, 2020, and the revised form will be finalized thereafter. Any states that request to be removed or do not respond will be removed from the revised form.

New Business

Updating language in our standard voluntary disclosure agreement concerning electronic signatures

Richard mentioned that one state recently raised with him a question concerning the current language in Paragraph 10.3 of the standard agreement regarding electronic signatures, which provides: “Images of signatures transmitted electronically shall be considered as valid signatures.” Richard explained that this would include a pdf copy of a handwritten (wet) signature.

Vice-Chair Jayne Kulberg (WI) stated that Wisconsin is accepting digital signatures such as DocuSign now.

Matt Peyerl (ND) suggested that the language in the standard agreement should be revised to clarify that allowed signatures include verifiable digital signatures, such as DocuSign, as those are possibly more secure than electronic images of wet signatures.

Greg Matson, (MTC Executive Director) suggested that digital signatures such as DocuSign should be allowed in agreements, as that issue is already being addressed with MTC Audit Staff.

Vice-Chair Jayne Kulberg (WI) requested that Richard circulate updated language to that effect to the Committee for consideration.

Closed Session

The committee entered closed session to discuss matters protected from disclosure.

Open Session

Frank Hales (UT) moved to adjourn the meeting, which was approved unanimously, and Vice-Chair Jayne Kulberg (WI) adjourned the meeting, with nothing to report from the closed session.